

	<u>EXCO – 23 MAY 2019</u>	
EXCO-038.2/19 Q	<u>APPROVAL OF FINAL BUDGET 2019/2020 – 2021/2022 FINANCIAL YEAR AND POLICIES:</u> The Chief Financial Officer will present the Final Budget 2019/2020 to 2021/2022 for approval at the meeting. The Chief Financial Officer presented the Final Budget 2019/20 -2021/22 to the meeting a copy of which is attached as <u>ANNEXURE 2.</u> In addition thereto a copy of the Debtors Incentive Scheme and the Schedule of Procurement Plan in respect of advertised competitive bids, etc. for the 2019/20 financial year is attached as <u>ANNEXURES 2.1 and 2.1</u> <u>RECOMMENDATION</u> (a) That the final budget 2019/2020 – 2021/2022 Financial year and policies be adopted; and (b) That an action plan be formulated for the strict implementation of the budget.	MM CFO DE&P ADCS ADCOMS
	<u>SPECIAL COUNCIL – 28 MAY 2019</u>	
SCOUN-044.2/19	<u>FINAL BUDGET 2019/20 TO 2021/22 MTREF:</u> The Final Budget 2019/20 to 2021/22 is attached as <u>ANNEXURE 2.</u> <u>PURPOSE</u> The purpose of this report is to table to Council the final proposed budget for 2019/20 financial year. <u>BACKGROUND/INTRODUCTION</u> The Council of a municipality must for each financial year approve an annual budget for the municipality before the start of that financial year. <u>CONTENT</u> The final budget is herewith tabled to Council.	MM CFO DE&P ADCS ADCOMS

FINANCIAL IMPLICATIONS

As per final budget

LEGAL FRAMEWORK

Municipal Finance Management Act, Act 56 of 2003
Municipal Budget and Reporting Regulations

COMMENTS FROM THE CHIEF FINANCIAL OFFICER:-

Recommendation supported.

COMMENTS FROM DIRECTOR CORPORATE SERVICES:-

Recommendation supported.

COMMENTS FROM THE DIRECTOR COMMUNITY SERVICE:-

Recommendation supported.

COMMENTS FROM THE DIRECTOR ENGINEERING AND PLANNING:-

Recommendation supported.

CONCLUSION

The final budget will be made public as required.

RESOLVED

1. That the Annual Budget of the Dr. Beyers Naudé Local Municipality for the financial year 2019/20 and the indicative allocations for the projected outer years 2020/21 and 2021/22; and the multi-year and single year capital appropriations, be approved for the purpose of complying with section 24 of the Municipal Finance Management Act (MFMA), Act No. 56 of 2003, as set-out in the following tables:-
 - 1.1 Consolidated Budget Summary – Schedule A1;
 - 1.2 Budgeted Financial Performance (revenue and expenditure by standard classification) – Schedule A2;
 - 1.3 Budgeted Financial Performance (revenue and expenditure by municipal vote) – Schedule A3;
 - 1.4 Budgeted Financial Performance (revenue by source and expenditure by type) – Schedule A4; and

- 1.5 Multi-year and single year capital appropriations by municipal vote and standard classification and associated funding by source – Schedule A5.
2. That the budgeted financial position, budgeted cash flows, cash-backed reserves/accumulated surplus, asset management and basic service delivery targets be approved as set-out in the following tables:-
 - 2.1 Budgeted Financial Position – Schedule A6
 - 2.2 Budgeted Cash Flows – Schedule A7
 - 2.3 Cash backed reserves and accumulated surplus reconciliation – Schedule A8
 - 2.4 Asset management – Schedule A9
 - 2.5 Basic service delivery measurement – Schedule A10
3. That the service tariffs and property rates be increased as per the tariffs schedule with effect from 1 July 2019;
4. That the indicative tariffs for 2020/21 and 2021/22 be increased as follows:

2020/21	2021/22	
Property rates	6%	6%
Water	6%	6%
Sanitation	6%	6%
Refuse	6%	6%
Electricity	6%	6%
5. That the detailed capital budget as per **Annexure C** be approved;
6. That the tariffs, fees and charges as reflected on the tariff list, in terms of Section 30 (2) and (4) of the Local Government: Municipal Structures Act, Act No: 117 of 1998 (as amended), read with Chapter 4 of the Local Government: Municipal Finance Management Act, Act 56 of 2003, be approved with effect 1 July 2019;
7. That interest on overdue accounts be charged at a percentage equal to prime rate plus 1% for the 2019/20 financial year;
8. That the following reviewed budget related policies be approved:-
 - (a) Credit control and debt collection
 - (b) Tariff policy
 - (c) Supply Chain Management Policy

	(d) Asset management policy (e) Cash management, banking & investment policy (f) Budget policy (g) Virement policy (h) Funding and reserve policy (i) Borrowing policy (j) Indigent support policy (k) Rates Policy (l) Contract Management Policy (m) Unauthorised, Fruitless & Wasteful and Irregular Expenditure policy (n) Rewards, gifts and favours policy (o) Inventory management policy (p) Transport and fleet management policy	
	9. That the following draft by-laws be approved and be published for public comments:- (a) Tariff by-law (b) Credit control and debt collection by-law (c) Rates by-law 10. That the Debtors Incentive Programme be approved for implementation 1 July 2019; and 11. That Council note the Procurement Plan for 2019/20.	

